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NOTE FOR: The Acting Director

FROM: Dave Gries

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 7, 1987

STATEMENT BY THE PRESIDENT
ON EMBASSY SECURITY

The Briefing Room

1:49 P.M. EDT

THE PRESIDENT: I just wanted to come in here to tell you that I am deeply concerned over the breach of security in our Moscow Embassy, and while all the facts are not known, it is clear that security implications are widespread and that additional quick action is required to prevent further damage to our national security.

Two weeks ago, when the severity of the situation became clear, I convened a meeting of my national security advisors and ordered Frank Carlucci to immediately begin an internal assessment of the damage. And today I want to announce some additional actions.

The United States will not occupy our new embassy building in Moscow unless and until I can be assured that it is safe to move into a secure embassy environment. Likewise, the Soviet Union will not be allowed to occupy their new facility in Washington until a simultaneous move by both countries is possible.

I've instructed the Secretary of State to make embassy security a major agenda item during his upcoming talks in Moscow, and I have asked Former Defense Secretary Mel Laird to chair an assessment review panel under the general authority of the Secretary of State. In addition, I've instructed the chairman of my Foreign Intelligence Advisory Board, Ambassador Anne Armstrong, to examine the procedures and practices used in our embassies worldwide to protect American facilities. I've requested that both reports from the Secretary of State and PFIAB be transmitted to me within 90 days.

Specifically, both the Secretary of State and PFIAB have been tasked to evaluate the condition of our new building and ascertain whether it will ever be secure or whether it may be necessary to destroy and rebuild it.

Finally, I have instructed the Secretaries of State and Defense to recommend to me the future management of security personnel at the U.S. Embassy in the U.S.S.R. and elsewhere with respect to length of assignment, selection of personnel, and their supervision. These reports will be coordinated by the National Security Council, which shall in turn make comprehensive recommendations to me on counterintelligence and security policies, procedures and accountability.

Q Mr. President, Henry Kissinger said that it is humiliating for George Shultz to go to Moscow right now, that he should be meeting instead in Helsinki, perhaps, because we should not be going under these circumstances without having secure communications.

THE PRESIDENT: Well, I have great respect for Henry and great friendship, but I have to oppose him on this. I just don't think it's good for us to be run out of town.

Q Mr. President, how can you ask the Secretary of State to do business with the Soviets on arms

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control when they have apparently compromised the U.S. position in Moscow so badly? How can you deal with them under these circumstances?

THE PRESIDENT: Well, I think the whole business of espionage worldwide is something that we have to recognize takes place, and counterespionage is employed by everyone. But at the same time, you don't stop doing business.

Q You mean, this is business as usual, sir? Business as usual?

THE PRESIDENT: Well, now, just a minute. As usual -- we have sent 81 of their agents in this country home -- kicked them out of the country. And they're still willing to talk arms with us.

Q Mr. President has this changed the way you look at the Soviets? Is this changing our relations with them?

THE PRESIDENT: Well, I think I've been rather realistic about the Soviet Union for quite some time, and believe me, it doesn't surprise me a bit. And no, I haven't changed my view of the Soviet Union.

Q Well, is this a new problem, Mr. President? Hasn't this been going on a long time, and haven't you had reports? I mean, how long have we had Soviet employees in our embassy? And we understand that you have received reports since '85.

THE PRESIDENT: And we have ordered them -- the beginning of actions to try and find out and establish if such a thing was going on.

Q Mr. President --

THE PRESIDENT: Chris, and then you. Chris, and then you.

Q Mr. President, can I follow -- can I follow specifically on that? Because there was a report in '85 by your own foreign intelligence advisory board that you're calling on now for another report, and they told you that the embassy was vulnerable, and specifically called on you in '85, the spring of '85, to get rid of Soviet personnel, yet you did nothing about it. And one of the members, H. Ross Perot, quit.

THE PRESIDENT: The -- this report did come in, and we immediately started, and did accomplish a reduction of the personnel in stages that were there. And I must say, we did run into some embassy problems and opposition, because it isn't exactly a place where you can just go out and hire Americans to go and take jobs like that in the Soviet Union. But as we were continuing with that, then the Soviet Union took --

Q Was Hartman to blame?

THE PRESIDENT: -- the first lead, and ordered their people out.

Q But Mr. President, if Gorbachev changes his mind, will you then allow Soviets to become re-employed at our embassy there? And how extensive is the problem in other Soviet bloc embassies?

THE PRESIDENT: We are investigating the whole area of embassies. So -- listen, Frank is going to take all of your questions. Unfortunately -- and I'm not ducking you, but I've tried to answer a few --

Q There's one question that I've had on my mind.

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Q Would you rehire them?

THE PRESIDENT: What?

Q Would you rehire them, sir, if Mr. Gorbachev changes his mind?

THE PRESIDENT: No. I think we should have our own personnel.

Q Mr. President, do you think that Colonel North --

Q -- employees that were sent home, Mr. President --

THE PRESIDENT: What? Wait a minute. Wait a minute.

Q Did Colonel North take orders from Mr. Casey at any time in terms of Contra aid?

THE PRESIDENT: I don't know.

Q Mr. President, what about the nine contract employees, American contract employees who were sent home within the last two months? That was just disclosed today by the State Department.

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THE PRESIDENT: Well, I have just told you what our position is going to be about that embassy building.

Q Well, are you --

Q Mr. President, is it possible that --

THE PRESIDENT: I'm going leave it to him because --

Q -- in 1981 --

THE PRESIDENT: -- this was rung in in the middle of my schedule, and, honestly, I am --

Q Are you interested in the new test ban proposal from the Soviets? Is that at least an encouraging sign?

THE PRESIDENT: We think that it's encouraging -- their whole attitude to arms -- which has never before been true with any of the other previous Soviet leaders.

Q Mr. President, Richard Allen says that in 1981 he recommended that all the Soviet nationals be dismissed from the U.S. Embassy in Moscow and that the State Department blocked that. Do you --

THE PRESIDENT: As I told you, it was not an easy problem, but when the second report came in with us here, we did start and we did make some reductions and we're proceeding on that.

Q Was Ambassador Hartman responsible, sir? Was Ambassador Hartman responsible?

THE PRESIDENT: I'm not going to -- I can't speak for any individual who --

THE PRESS: Thank you.

END

1:56 P.M. EDT